



## SBA MicroLoan is Just What the Doctor Ordered for Medical Equipment Service Firm

**S**uccess is just what the doctor ordered for RONCO Technical Services, Inc. In fact, it is the orders from doctors, veterinarians and medical facilities that keep Andy Cohen smiling. You see, Cohen is the owner of a company that specializes in medical equipment sales, service and repair.

The early beginnings for RONCO date back to 1972. While working for a small pharmaceutical company, Cohen would have to take machines to get repaired in Elizabeth. While waiting for the machines, Cohen would ask the owner questions on why he would repair medical equipment a certain way. Seeing that he had an eager pupil, the owner of the shop would encourage Cohen to repair some of the machines himself.

So in 1972, Cohen decided to start RONCO Technical Services on a part-time basis. Cohen admits that he has always been fascinated with machinery and how it works. Besides receiving hands-on experience from the shop owner, Cohen also took electronic and mechanical courses at Union County Technical School and Union County College.

For thirteen years, Cohen juggled a part-time business and a full-time career as branch manager at the pharmaceutical company where he started. But in 1985, Cohen decided it was time to make RONCO Technical Services, Inc., a full-time operation.

Cohen smiles when he thinks about the first year the company went full-time. During its first year of operation, the Plainfield-based company had \$60,000 in sales.

Today, RONCO Technical Services Inc. provides its clients with 22 products ranging from anesthesia machines to large capacity sterilizers.



### SUCCESSFUL ENTREPRENEUR-----

Anderson Cohen, president of Ronco Technical Services, Inc., is seen here working on a Baxter Infusion Pump at his company's shop in Plainfield. Cohen's firm specializes in medical equipment sales, service and repair.

"We sell it, we service it, and we repair it," said Cohen.

In addition to selling new equipment, RONCO Technical Services sells reconditioned equipment. In fact, the company has found a niche in taking certain equipment, like anesthesia machines from hospitals – reconditioning them, and reselling them to veterinarians. "What has helped our growth is that we service and repair everything with the exception of X-Ray machines and endoscopy equipment," said Cohen. "Excluding new equipment sales, I would say that 80 percent of our time is spent on service calls and the other 20 percent is spent on reconditioning equipment."

With the business growing, Cohen realized that some working capital was necessary to help continue this growth. Since 1972, the company never had taken out a loan; although he did try. However, every time he tried applying for a loan, lenders just didn't see the company's potential.

That all changed in December of 2001, when Ellen McHenry of UCEDC met Cohen. UCEDC a U.S. Small Business Administration MicroLoan Intermediary that reaches out to small business owners from Monmouth, Morris, Ocean, Passaic, Somerset and Union Counties providing them with SBA MicroLoans up to \$35,000.

McHenry saw something in Cohen and RONCO Technical Services, Inc., that conventional lenders failed to see. "Here is a hard-working business owner with a solid track record, no debt, and putting his profits back into the business," said

McHenry. "What's not to like? Andy has put together a great company, he knows his craft, and UCEDC was glad to make him the loan."

According to McHenry, Ronco Technical Services, Inc. received an SBA Microloan from UCEDC for \$35,000 to purchase some inventory, as well as equipment that would help the company repair defibrillators and I-V pumps in house. Also, some of the loan proceeds went towards training a new repair technician.

"Since 1994, the SBA has been giving African-American small business owners like Anderson Cohen an alternative way to finance their businesses," said SBA New Jersey District Director James Kocsi. "SBA MicroLoans are another alternative to helping small businesses find capital up to \$35,000."

Today, RONCO Technical Services employs six people and is approaching \$1.2 million in sales. The company has a list of clients that includes UMDNJ, Johnson & Johnson, Schering Corporation, Merck & Co., Garden State Veterinary Specialists, Bide-A-Wee, Fanwood Dental Group and Rutgers University.

"All our work comes from referrals," said Cohen. "We average two new customers a week."

And for a small business owner who sells, services and repairs medical equipment, it's just what the doctor ordered - literally.